LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **WEDNESDAY, JANUARY 23, 2008**, upon the application of **KCS RESOURCES, INC.**

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Gray Sand, Reservoir A**, in the Terryville Field, Lincoln Parish, Louisiana.

- 1. To establish a single additional drilling and production unit for the exploration for and production of gas and condensate from the Gray Sand, Reservoir A.
- 2. To force pool and integrate all of the separately owned tracts, mineral leases and other property interests located within the proposed unit in accordance with Section 10, Title 30 of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
- 3. To designate the KCS Resources, Inc.-T.L. McCrary 14 No. 2 Well as the unit well for GRAY RA SURR at the location shown on the plat submitted with the application and to designate KCS Resources, Inc. as operator of said unit.
- 4. To extend the well spacing rules applicable the Gray Sand, Reservoir A, established by Office of Conservation Order No. 370-E-1 to proposed unit, except to the extent inconsistent herewith.
- 5. To consider such other matters as may be pertinent.

The Gray Sand, Reservoir A was initially defined in Order No. 370-E, effective May 23, 1979, and was redefined in Order No. 370-E-2, effective November 6, 1980.

A plat is available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, LA

12/13/07;12/18/07

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IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.